

MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
THURSDAY, FEBRUARY 1, 2007, 2:00 P.M.
Room W020, West Office Building, State Capitol Complex

Members Present: Sen. Greg Bell, Co-Chair
Rep. Kory M. Holdaway, Co-Chair
Sen. Brent Goodfellow
Rep. Ron Bigelow
Rep. Mel Brown
Rep. David Clark
Rep. Brad Daw
Rep. John Dougall
Rep. Kay McIff
Rep. Scott L. Wyatt
Rep. Chris Johnson
Rep. Carol Spackman Moss
Rep. LaWanna "Lou" Shurtliff

Members Excused: Sen. Curtis Bramble
Sen. Dan Eastman

Staff Present: Spencer Pratt, Senior Legislative Fiscal Analyst
Rolayne Day, Secretary

Public Speakers Present: Dr. Tami Goetz, Director of the SLCC Biotech Program
Ery Anguine, SLCC Biotech Student
Michelle Condie, SLCC Biotech Student
Doug Knaphus, SLCC Biotech Student
Brianna Birdsong, SLCC Biotech Student
Jim Price, Professor of Biology, UVSC
Pres. Cynthia Bioteau, SLCC
Sen. Stowell
Pres. Michael Benson, SUU
Sen. Hillyard
Dave Buhler, Associate Commissioner for Public Affairs
Dave Doty, Assistant Commissioner and Director of Policy Studies
Lane Beattie, President of the Salt Lake Chamber of Commerce
Dr. Walter Arabasz, Director, UU Seismograph Stations
Pres. Ann Millner, WSU
Melissa Miller Kincart, Executive Director, Campus Compact
Rep. Menlove
Brian Foisy, Assistant Commissioner for Financial Services

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Call to Order—Committee Co-Chair Holdaway called the meeting to order at 2:18 p.m.

Rep. Shurtliff noted that several people from WSU were in attendance.

2. Requests for Appropriations

- a. 4-year Biotech Degree—Rep. Clark said that Dr. Tami Goetz initiated hands-on instruction with day-to-day meaning and immediate opportunities for employment in the Biotech Program at SLCC. The request is a collaborative effort for students to obtain a four-year degree with two years at SLCC and the second two years at UVSC.

Dr. Tami Goetz, Biotech Program Director, SLCC, introduced both current and former students in the SLCC Biotech Program and also students from UVSC who represent the second part of the degree. SLCC has partnerships with five school districts that allow students in the last two years of high school to participate in biotech studies. Dr. Goetz noted that business and industry are also involved so that curriculum is in line with workforce development.

Several students spoke of their experiences in the SLCC Biotech Program including Ery Anguine, Michelle Condie (who is now working on cancer research at the Huntsman Cancer Institute), Doug Napus, and Brianna Birdsong (a high school student).

Jim Price, UVSC professor of biology, complimented Dr. Goetz on the SLCC program that gets students from different levels of education working together in a community environment. He noted that the proposal will give the state a stable employee base.

Rep. Clark said between 300-400 skilled biotech workers are needed in the State. The request is for \$1.2 million.

Pres. Cynthia Bioteau, SLCC, added that the institutions will be sharing faculty and lab space to leverage resources so that no one institution has to shoulder the cost.

- b. Land Purchase—Sen. Stowell said that SUU's Shakespearean Festival is an economic driver in Iron County. Pres. Mike Benson said the Festival continues to expand with over 400,000 headcount last year. In an attempt to be good neighbors, they want to buy property to the south and east of the current site for a proposed festival compound.

3. Report on NCSL Blue Ribbon Task Force—Sen. Hillyard distributed two handouts, "A Test of Leadership, Charting the Future of U.S. Higher Education," a report of the Commission Appointed by Secretary of Education Margaret Spellings, and "Transforming Higher Education, National Imperative—State Responsibility" from the National Conference of State Legislatures. Sen. Hillyard is concerned with the propensity to use federal funds for higher education that takes control from the states. States need to get tuition under control and make education more affordable. Research shows that there is little control on Pell Grants—one student received Pell Grants for 17 years.

Sen. Hillyard said students today are not willing to go through the rigor of an education if they feel it is a waste of time. They are also unwilling to retake courses because one institution does not accept the curriculum of another. Kids need to be encouraged to take more math and science. There is a shortage of teachers in disciplines with academic rigor and American students aren't willing to take the tough classes to prepare for rigorous fields. The United States will be left behind unless we get the next generations to step up, and that is the purview of both public education and higher education.

4. Requests for Appropriations continued

- a. Need-based Scholarships \$20 million—This request from Sen. Hillyard is to put \$20 million of one-time money into a scholarship fund and use the interest to provide scholarships for students across the system. Sen. Hillyard said there is a serious problem and that our future depends on students getting an education.

Rep. Holdaway said the scholarship fund would help create a strong state economy and a competitive nation. Dave Buhler, Associate Commissioner, recommended that the money be appropriated to the Board of Regents for the UCOPE scholarship. The interest on \$20 million would be about \$1 million a year. Rep. Dougall said the scholarship would be based on need and he doesn't want to penalize students who save and prepare for college and who cannot get need-based funding.

- b. At the request of the sponsors, the requests from Rep. Draxler (American West Heritage Center) and Rep. Noel (UCAT Service Centers and UCAT leases) were not heard.

5. Utah Scholars Initiative—Dave Doty, Assistant Commissioner and Director of Policy Studies, said this request is for the States Scholars Initiative, initially funded through the US Department of Education. It is currently implemented in the Davis, Granite, Jordan and Park City School Districts. The Initiative encourages high school students to complete a defined, rigorous, academic course of study and it prepares high school students for success in college course work or vocational/technical training.

Success in college is directly related to a high-quality, rigorous high school curriculum, especially for minority and disadvantaged students. Utah students are not choosing courses that adequately prepare them and they end up taking a lot of remedial work in college. The Utah Scholars Curriculum requires 4 years of English, 4 years of math, 3 years of lab science, 3.5 years of social studies, and 2 years of the same foreign language in grades 9 through 12.

Key components of the Initiative are: (1) an 8th grade presentation by business representatives and higher education; (2) incentives to stay on track (grades 9, 10, 11); and (3) high school senior recognition event(s) as students complete the programs. The request is for \$500,000 in one-time funding.

Lane Beattie, President, Salt Lake Chamber of Commerce, said economic cycles change quickly. They are concerned about what happens to people who chose not to get an education when the economy goes down. The results from this type of program in other states is phenomenal. It requires businesses to step forward to be involved in the process—to appear in classrooms with presentations to help students know why education is so important. Mr. Beattie said we need to make sure that Utah students are not average and are not even just good—we need them to be outstanding.

Rep. Daw said 70% of the freshmen at UVSC need math and/or English remediation. Far too many high school seniors take a light load when they are capable of a lot more. The bar needs to be raised and students need to be encouraged to reach their potential.

Rep. Shurtliff asked how the humanities would be affected. Mr. Doty said there are fewer elective choices for students who choose to participate, but it will not eliminate opportunities in the humani-

ties. The program is really designed to get at the middle 50% of the students who are probably capable, but who are not making the choices to prepare themselves.

6. Seismic Monitoring—Rep. Bigelow said there are needs for seismic monitoring across the state. He distributed a handout showing how various building blocks affect the request.

Dr. Walter Arabasz, Director of the UU Seismograph Stations, said the request is to meet multiple state needs for seismic equipment and information aimed at getting information to the Web quickly and to generate automated computer maps of actual ground shaking within minutes. With sensors in place, service disruption information can be quickly coupled with FEMA loss information software, and a federal disaster declaration can come quickly rather than after weeks.

The infrastructure has been built on the Wasatch Front with federal grants. This proposal is to expand equipment in rural Utah. The highest priority is \$420,000 in one time funding and \$125,000 in ongoing.

7. Campus Compact Report—Pres. Ann Millner, WSU, is the Utah Campus Compact Chair. All 13 public and private institutions of higher education in Utah participate in Campus Compact, and Utah is the only state with that participation level. Campus Compact provides leadership and support for service learning and civic engagement across the campuses.

Pres. Mike Benson, SUU, said that over 2,500 faculty, administrators, and community partners participate annually in Compact events and training. AmeriCorps awards \$1 million annually in scholarships. Statistics show that 21% of the college courses apply service learning; nationally the average is 13%. There are 21,666 students involved in service with 768,716 service hours.

Melissa Miller Kincart, Executive Director, said Campus Compact also empowers and shapes the students and helps them to be more successful. Service deepens students' learning, increases satisfaction with their educational experiences, improves retention and persistence, influences choice of major, encourages interaction with students and faculty, and prepares engaged students.

8. H.B. 196, Higher Education Criminal Background Checks—Rep. Menlove said that higher education employees who work with concurrent enrollment students and higher education students need a background check just like they do in public education. The fiscal note is \$728,000 in FY 2008 one-time funding and \$58,700 in FY 2007 dedicated credits.

Dave Buhler, Associate Commissioner, said the USHE is in support of the bill.

9. Post-Retirement Benefits Followup—Fiscal Analyst Spencer Pratt—Last year a Legislative Auditor's review of the post-retirement benefits in higher education concluded that the liability was \$979 million and the liability for current employees was \$633 million, most of which was unfunded. The Commissioner disagreed with the findings, primarily because he claimed that early retirement in higher education is not an entitlement and is funded from current operating budgets. He indicated that the USHE would conduct its own actuarial study.

The USHE study was completed by Aon Consulting that determined whether the programs fell under the Government Accounting Standards Board (GASB) 45 or 47. Mr. Pratt discussed the specifics of each of the categories. The study found that five institutions, (UU, USU, SUU, SLCC, and UCAT) offer benefits that fall under GASB 45. The report also states that nine of the ten institutions (all but

USU) have GASB 47 liabilities. Mr. Pratt has been notified that both the UU and USU are in the process of reviewing their benefit plans to further reduce or eliminate their GASB 45 liabilities.

Mr. Buhler said the situation is manageable and under control. He distributed a handout detailing steps the institutions are taking. Brian Foisy, Assistant Commissioner for Financial Services, discussed what USHE is doing and how the post-retirement benefits were calculated in the past. There is no impact on benefits for current employees or retirees. Higher education has always funded the plans on a pay-as-you-go basis in existing budgets. Mr. Buhler said early retirement in the USHE is not an entitlement, it is a management tool.

MOTION: Rep. Johnson moved to adjourn.

Committee Co-Chair Holdaway adjourned the meeting at 4:17 p.m.

Minutes were reported by Rolayne Day, Secretary.

Sen. Greg Bell, Committee Co-Chair

Rep. Kory M. Holdaway, Committee Co-Chair